
Subject: Building Space/Rental Cost

Effective Date: October 1, 2004

Revised from:

Policy: The cost of space in privately or publicly owned buildings that are used for the benefit of the WIC Program is an allowable expense. The total cost of space may not exceed the rental costs of comparable space and facilities in a public/private owned building in the same locality.

Reference: CFR §246.14

Procedure:

- Charges should be determined on the basis of actual costs (including depreciation based on the useful life of the building, interest paid or accrued, operation and maintenance).
- Charges to WIC must be based on square footage used by the Program. All other programs must be charged using the same rate. A written allocation plan must be on file for audit purposes.
- The cost of space procured for WIC usage may not be charged to the Program for periods of non-occupancy without prior authorization from the State Agency.
- Costs incurred for rearrangement and alteration of facilities required specifically for the WIC Program or those that materially increase the value or useful life of the facilities are allowable when pre-approved by the State Agency.